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DEPARTMENT OF COMMERCE

International Trade Administration

(A-570-601)

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2013-2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) is conducting an administrative review of the antidumping duty order on tapered roller bearings and parts thereof, finished and unfinished (TRBs), from the People's Republic of China (PRC). The administrative review covers four exporters, of which the Department selected two mandatory respondents for individual examination (i.e., Changshan Peer Bearing Co. Ltd. (CPZ/SKF); and Yantai CMC Bearing Co., Ltd. (Yantai CMC)). The period of review (POR) is June 1, 2013, through May 31, 2014.

We preliminarily determine that sales of subject merchandise have been made below normal value (NV). In addition, we preliminarily determine, in accordance with 19 CFR 351.401(f), to treat affiliated producers, CPZ/SKF and Shanghai General Bearing Co., Ltd. (SGBC) as a single entity.¹ If these preliminary results are adopted in the final results of this

¹ The collapsed entity is hereinafter referred to as CPZ/SGBC. For further discussion, <u>see</u> memorandum from The Team to Melissa Skinner, Director Office II, dated June 30, 2015, entitled "Whether to Collapse Changshan Peer Bearing Company Ltd. and Shanghai General Bearing Company Ltd. in the 2013-2014

review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

DATES: Effective Date: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Stephen Bailey or Blaine Wiltse,
Enforcement and Compliance, International Trade Administration, U.S. Department of
Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone:
(202) 482-0193 or (202) 482-6345, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The merchandise covered by the order includes tapered roller bearings. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 8482.20.00, 8482.91.00.50, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80, 8708.70.6060, 8708.99.2300, 8708.99.4850, 8708.99.6890, 8708.99.8115, and 8708.99.8180. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of the order is dispositive.²

Antidumping Duty Administrative Review of Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China," (Collapsing Memorandum).

² For a complete description of the scope of the order, <u>see</u> memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated June 30, 2015 entitled "Decision Memorandum for the Preliminary Results of the 2013-2014 Antidumping Duty Administrative Review of Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China" (Preliminary Decision Memorandum), issued concurrently with and hereby adopted by this notice.

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the Act). As noted above, there are two mandatory respondents in this administrative review: CPZ/SGBC and Yantai CMC. For CPZ/SGBC, we calculated constructed export prices in accordance with section 772 of the Act. Because the PRC is a non-market economy (NME) within the meaning of section 771(18) of the Act, normal value has been calculated in accordance with section 773(c) of the Act.

For Yantai CMC, we preliminarily find that this respondent is ineligible for a separate rate because it has failed to demonstrate an absence of <u>de facto</u> government control in this administrative review. Therefore, we did not calculate a separate margin for Yantai CMC.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and in the Central Records Unit, room B0824 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/index.html. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Rate for Non-Examined Companies Which Are Eligible for a Separate Rate

The statute and the Department's regulations do not address the establishment of the rate applied to individual respondents not selected for individual examination when the Department limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, the Department looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for separate-rate respondents that are not examined individually in an administrative review. Section 735(c)(5)(A) of the Act notes a preference that we are not to calculate an all-others rate using rates for individually-examined respondents which are zero, de minimis, or based entirely on facts available. Section 735(c)(5)(B) of the Act provides that, where all rates are zero, de minimis, or based entirely on facts available, the Department may use "any reasonable method" for assigning a rate to non-examined respondents.

For these preliminary results, we calculated a margin of zero percent for CPZ/SGBC. Therefore, we preliminarily determine that the application of the rate from the previous administrative review to the non-examined separate-rate companies is consistent with precedent³ and the most appropriate method to determine the separate rate in the instant review. Pursuant to this method, we are preliminarily assigning the margin of 0.65 percent, the

³ <u>See e.g., Certain Frozen Warmwater Shrimp From the People's Republic of China: Preliminary Results and Preliminary Partial Rescission of Fifth Antidumping Duty Administrative Review, 76 FR 8338, 8342 (February 14, 2011), unchanged in <u>Administrative Review of Certain Frozen Warmwater Shrimp From the People's Republic of China: Final Results and Partial Rescission of Antidumping Duty Administrative Review, 76 FR 51940 (August 19, 2011).</u></u>

most recent margin calculated for the non-examined separate-rate respondents,⁴ to the non-examined separate-rate respondents in the instant review.

Preliminary Results of Review

Because Yantai CMC did not demonstrate that it was entitled to a separate rate, the Department preliminarily finds Yantai CMC to be part of the PRC-wide entity.⁵ The rate previously established for the PRC-wide entity is 92.84 percent.

The Department preliminarily determines that the following weighted-average dumping margins exist for the period June 1, 2013, through May 31, 2014:

Exporters	Weighted-Average Percent Margin
Changshan Peer Bearing Co., Ltd./ Shanghai General Bearing Co., Ltd.	0.00 Percent
Xinchang Kaiyuan Automotive Bearing Co., Ltd.*	0.65 Percent
Ningbo Xinglun Bearings Import & Export Co., Ltd.*	0.65 Percent

^{*}This company demonstrated that it qualified for a separate rate in this administrative review.

Disclosure and Public Comment

⁴ This margin is from the 2012-2013 administrative review. <u>See Tapered Roller Bearings and Parts Thereof</u>, Finished and Unfinished, From the People's Republic of China: Final Results of the Antidumping Duty <u>Administrative Review and Final Results of the New Shipper Review</u>; 2012-2013, 80 FR 4244 (January 27, 2015).

⁵ <u>See</u> Preliminary Decision Memorandum, at 8-9. Pursuant to the Department's change in practice, the Department no longer considers the NME entity as an exporter conditionally subject to administrative reviews. <u>See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping <u>Duty Proceedings</u>, 78 FR 65963, 65970 (November 4, 2013). Under this practice, the NME entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the entity, the entity is not under review and the entity's rate is not subject to change.</u>

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. Rebuttals to case briefs may be filed no later than five days after case briefs are filed and all rebuttal briefs must be limited to comments raised in the case briefs. Parties who submit comments are requested to submit with the argument: 1) a statement of the issue; 2) a brief summary of the argument; and 3) a table of authorities.

Any interested party may request a hearing within 30 days of publication of this notice.⁸ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.⁹ If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.¹⁰

All submissions, with limited exceptions, must be filed electronically using ACCESS.

An electronically filed document must be received successfully in its entirety by 5 p.m. Eastern

Time (ET) on the due date. Documents excepted from the electronic submission requirements

⁶ See 19 CFR 351.309(c)(1)(ii).

⁷ <u>See</u> 19 CFR 351.309(d).

⁸ See 19 CFR 351.310(c).

⁹ Id.

¹⁰ See 19 CFR 351.310(d).

must be filed manually (<u>i.e.</u>, in paper form) with the APO/Dockets Unit in Room 18022 and stamped with the date and time of receipt by 5 p.m. ET on the due date.

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication of the final results of this review. For each individually-examined respondent in this review (i.e., CPZ/SGBC) which has a weighted-average dumping margin which is not zero or de minimis (i.e., less than 0.5 percent), we will calculate importer-specific assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1). Where either the respondent's weighted-average dumping margin is zero or de minimis, or an importer-specific ad valorem dumping margin is zero or de minimis, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

¹¹ <u>See</u> 19 CFR 351.212(b)(1).

¹² In these preliminary results, the Department applied the assessment rate calculation method adopted in <u>Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification</u>, 77 FR 8101 (February 14, 2012). The Department will limit the application of this assessment rate to CPZ/SKF's entries of subject merchandise because SGBC's entries were not subject to the antidumping duty order on TRBs during the POR. For further discussion, see the Preliminary Decision Memorandum.

For the respondents which were not selected for individual examination in this administrative review and which qualified for a separate rate, the assessment rate will be equal to the dumping margin assigned to the non-examined separate-rate companies in the 2012-2013 administrative review of TRBs from the PRC.¹³

For the final results, if we continue to treat Yantai CMC as part of the PRC-wide entity, we will instruct CBP to apply an <u>ad valorem</u> assessment rate of 92.84 percent to all entries of subject merchandise during the POR which were exported by Yantai CMC.

For entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (<u>i.e.</u>, at that exporter's rate) will be liquidated at the PRC-wide rate.¹⁴

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed above which have a separate rate, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or <u>de minimis</u>, then a cash deposit rate of zero will be established for that

¹³ See "Rate for Non-Examined Companies Which Are Eligible for a Separate Rate" section, above.

¹⁴ For a full discussion of this practice, <u>see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties</u>, 76 FR 65694 (October 24, 2011).

company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed

above that have separate rates, the cash deposit rate will continue to be the exporter-specific

rate published for the most recently completed segment of this proceeding; (3) for all PRC

exporters of subject merchandise that have not been found to be entitled to a separate rate, the

cash deposit rate will be the rate for the PRC-wide entity, 92.84 percent; and (4) for all non-

PRC exporters of subject merchandise which have not received their own rate, the cash deposit

rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter.

These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility

under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping

duties prior to liquidation of the relevant entries during this review period. Failure to comply

with this requirement could result in the Secretary's presumption that reimbursement of

antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results of review in accordance with

sections 751(a)(l) and 777(i)(l) of the Act, and 19 CFR 351.221(b)(4).

Dated: June 30, 2015.

Paul Piquado,

Assistant Secretary

for Enforcement and Compliance.

Appendix – List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Summary
- 2. Background
- 3. Scope of the Order
- 4. Discussion of the Methodology
 - a. Non-Market Economy Country
 - b. Separate Rates
 - c. Separate Rate for Non-Selected Companies
 - d. Collapsing of CPZ with Another Producer of TRBs
 - e. Surrogate Country
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 - g. Normal Value Comparisons
- 5. Conclusion

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